

R590. Insurance, Administration. (Effective 11-1-96)**R590-136. Title Insurance Agents' Annual Reports.****R590-136-1. Authority.**

This rule is promulgated by the commissioner pursuant to Section 31A-23a-413 that requires the annual filing of a report by title agents and Subsection 31A-23a-503(8) that requires the commissioner to prescribe the forms for these annual filings.

R590-136-2. Purpose.

The purpose of this rule is to establish the form and filing deadline of title insurance agents' annual reports as required by Section 31A-23a-413 and Subsection 31A-23a-503(8)(a).

R590-136-3. Definitions.

For the purpose of this rule, "agent" shall mean:

- (1) an agency as defined in Subsection 31A-23a-102(5); and
- (2) Individuals who are licensed to practice law in Utah and are not exempt from the requirements of Subsection 31A-23a-204(1) and (2).

R590-136-4. Financial Condition, Transactions and Affairs.

(1) Title insurance agents shall file a balance sheet and an income and expense statement prepared and presented in conformance with generally accepted accounting principles and a reserve fund report required by Subsection 31A-23a-204(2). The reserve fund report shall include the following:

- (a) gross income received from title insurance business;
- (b) deposit required, 1% of gross income received from title insurance business;
- (c) all deposits made and dates of deposits;
- (d) reserve fund account number and depository institution name and address;
- (e) balance after last deposit;
- (f) copies of the account statements; and
- (g) reporting period.

(2) The title insurance agent shall file a report that identifies the fidelity bond, professional liability insurance policy or other equivalent approved by the commissioner, that satisfies the requirement of Subsection 31A-23a-204(2).

(3) The reports required by this rule shall be verified and filed with the commissioner by April 30 of each year.

(4) The reports required are protected data. Access shall be restricted to the title insurance agent and the Insurance Department.

R590-136-5. Controlled Business Report.

(1) Pursuant to Subsection 31A-23a-503(8)(a) each title insurance agent shall report the names and addresses of any persons owning a financial interest in the title insurance agent as of the last day of the calendar year, who are known or reasonably believed by the title insurance agent to be producers of title business, and the proportion of the title insurance agent's gross operating revenues that are attributable to controlled business during the preceding calendar year. The report shall be filed by April 30 of each year. The controlled business report is a public record upon filing.

(2) Annual Report of Controlled Business Transactions forms are available from the Insurance Department and shall be utilized in reporting the controlled business transactions required by this rule. This form may be reproduced for use by a title insurance agent.

R590-136-6. Severability.

If any provision or clause of this rule or its application to any person or situation is held invalid, that invalidity shall not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

KEY: insurance law

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31A-23a-313

31A-23a-403

[\[Back to Top\]](#)